

WILLMAR CITY COUNCIL PROCEEDINGS
BOARD ROOM
HEALTH AND HUMAN SERVICES BUILDING
WILLMAR, MINNESOTA

December 2, 2019
7:00 p.m.

The regular meeting of the Willmar City Council was called to order by the Honorable Mayor Marv Calvin. Members present on a roll call were Mayor Marv Calvin, Council Members Rick Fagerlie, Shawn Mueske, Kathy Schwantes, Vicki Davis, Fernando Alvarado, Julie Asmus, Andrew Plowman, and Audrey Nelsen. Present 9, Absent 0.

Also present were Interim City Administrator Brian Gramentz, Police Chief Jim Felt, Finance Director Steve Okins, Planning and Development Services Director David Ramstad, Public Works Director Sean Christensen, Fire Chief Frank Hanson, City Clerk Judy Thompson, and City Attorney Robert Scott.

There were no additions or deletions to the agenda.

Council Member Fagerlie moved to approve the agenda as presented. Council Member Mueske seconded the motion which carried.

City Clerk Judy Thompson reviewed the consent agenda.

- A. City Council Minutes of November 18, 2019
- B. Willmar Municipal Utilities Board Minutes of November 25 2019
- C. Planning Commission Minutes of November 20, 2019
- D. Accounts Payable Report November 14 – November 26, 2019
- E. Willmar Lakes Area CVB Board Minutes of October 15, 2019
- ~~F. Human Rights Commission Minutes of October 15, 2019~~

Council Member Fagerlie offered a motion to approve the Consent Agenda. Council Member Asmus asked that Item F. be removed for discussion. Council Member Nelsen seconded the motion to approve the consent agenda, with the removal of Item F., which carried.

Council Member Asmus inquired about discussion Item No. 5 of the Human Rights Commission minutes of October 15th in regard to information being provided to new residents of Willmar pertaining to policies and ordinances that are in force for all citizens. Ms. Asmus stated, in the past, the Police Department had a small booklet with this information included, was translated into several languages, and was available at various places for distribution. Ms. Asmus felt this would be a good resource to have available again for all new citizens.

Council Member Mueske acknowledged the booklet would be a great template to use in creating current correspondence and suggested that the Police Chief contact the Human Rights Commission Chair or City Planner Sarah Swedburg to discuss further.

Council Member Asmus then offered a motion to approve Item F. Council Member Mueske seconded the motion which carried.

No one was present to speak during the Open Forum.

At 7:06 p.m. Mayor Calvin opened the Truth in Taxation public hearing. Finance Director Steve Okins stated the City is required by law to conduct a public hearing, as part of the budget process, for truth in taxation. The County Auditor is responsible for mailing statements to each resident indicating the estimate of how much their property tax bill will either increase or decrease, as well as the date and time of the public hearing. He stated the Mayor presented his proposed budget in September in the amount of \$5,776,821. The Council

reviewed and made recommendations to the budget. At the September 30, 2019 Special Council meeting, the recommended levy was set at \$5,924,657. The Council has since met and the recommendation is to reduce the 2020 Tax Levy back to the Mayor's original proposal of \$5,776,821. If approved tonight, the 2020 tax levy would increase by \$526,821, which represents approximately a two and six tenths (2.6%) percent increase, and the budget would be set at \$65,410,419.

John Linafelter, Willmar, addressed the Council with concerns of increase in his taxes along with an increase in his market value.

Mayor Calvin informed Mr. Linafelter that the market value increase would need to be addressed at the Local Board of Equalization meeting held in April each year and would be addressed by the County Assessor's Office. Tonight's meeting addresses the increase in taxes only, and stated that the amount listed on the Truth in Taxation notice will be reduced if the Council adopts the recommended reduced levy.

Robert Morrill, Willmar, addressed the Council with concerns of increase in his taxes along with an increase in his market value.

Mayor Calvin again stated the information provided to Mr. Linafelter.

There being no others to speak for or against the proposed levy, Mayor Calvin closed the public hearing at 7:22 p.m. and opened it up for discussion by the Council. Council Member Nelsen offered a motion to introduce the resolution to adopt the 2020 Tax Levy in the amount of \$5,776,821. Council Member Mueske seconded the motion.

Mayor Calvin asked that a portion of the funds that are currently not allocated be made available for the Barn Theatre Project. Council Member Fagerlie stated at the Committee meeting, it was suggested that the Barn Theatre pursue grants that are available through the Housing and Redevelopment Authority.

Following discussion, **Resolution No. 19-180 Establishing the Tax Levy for the City of Willmar in the Amount of \$5,776,821** was approved, as introduced, on a roll call vote of Ayes 8, Noes 0.

Resolution No. 19-181 Adopting the Budget for the Fiscal Year 2020 in the Amount of \$65,410,419 was introduced by Council Member Nelsen. Council Member Fagerlie seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

The Public Works/Safety Committee Report for November 20, 2019 was presented to the Mayor and Council by Council Member Plowman. There were five items for consideration.

Item No. 1 It was the recommendation of the Committee to accept Change Order No. 3 in the amount of \$26,621 for Project No. 1901-B.

Resolution No. 19-182 Accepting Change Order No. 3 for Project No. 1901-B was introduced by Council Member Plowman. Council Member Alvarado seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

Item No. 2 It was the recommendation of the Committee to accept Change Order No. 1 in the amount of \$33,819.12 for Project No. 1903-B.

Resolution No. 19-183 Accepting Change Order No. 1 for Project No. 1903-B was introduced by Council Member Plowman. Council Member Alvarado seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

Item No. 3 It was the recommendation of the Committee to approve the bid for the Eagle Lake sewer repair project if determined to be acceptable by staff and the full Council and authorize signatures on the agreement.

Resolution No. 19-184 Awarding Eagle Lake Sewer Repair to Crow River Construction in the Amount of \$76,945 was introduced by Council Member Plowman. Council Member Asmus seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

Item No. 4 The Committee received for discussion, the topic of the Trap Range. Subtopics included: Current lease information; Potential of a City partnership to maintain the range, and; The growth of the trap shooting sport in the community. This item was for information only.

Council Member Fagerlie stated Ridgewater College has a trap team and he suggested someone check with them to see if they would partner in remodeling the range, as the Carpentry class looks for projects to participate in. This could be a cost saving measure.

Item No. 5 The Committee received for discussion, the topic of snow emergency practices. Subtopics included: Current practices; Potential options for a City-wide snow emergency, and; Public outreach. This item was for information only.

Council Member Asmus stated she had a discussion with Public Works Director Sean Christensen earlier today and he stated in just the East and West corridor of the City, there were over 600 cars that the snowplows had to work around during the snow event this past weekend. Ms. Asmus urged citizens to keep their cars off the street during snow events so the plows can perform their job in an efficient manner so emergency vehicles and other vehicles can get through safely.

Council Member Fagerlie mentioned the cul-de-sac on 5th Street SW across from the Skylark Mall was filled with snow and vehicles and a snowplow could not plow the area. He asked that the Police Department check into this issue.

The Public Works/Safety Committee Report of November 20, 2019, was approved as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member Plowman. Council Member Nelsen seconded the motion, and carried.

The Finance Committee Report for November 21, 2019 was presented to the Mayor and Council by Council Member Nelsen. There were four items for consideration.

Item No. 1 Dovre Township is under an annual contract for Willmar Fire Department services which expires December 31, 2019. A statewide formula has been used for decades to calculate the township cost-sharing proposal. This formula is based on prior year information including the market values in the township, the number of fire calls, and the number of fire fighters responding. A five-year history of the annual contract amounts was provided. It was noted that the proposed 2020 contract, in the amount of \$20,838.08, is down from previous years since there were no firefighter hours accumulated in 2018. It was the recommendation of the Committee to introduce a resolution authorizing the Mayor and City Administrator to execute the 2020 Fire Protection Agreement with Dovre Township for \$20,838.08.

Resolution No. 19-185 Approving Dovre Township Fire Agreement in the Amount of \$20,838.08 was introduced by Council Member Nelsen. Council Member Mueske seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

Item No. 2 Agriculture land leases at the old airport site were executed for 2019-2022 in the fall of 2018. Shortly thereafter, the Willmar WYE Project began moving forward and many of the tracts that had been leased out were adversely affected. These leases are held by Justin Boike who has been reimbursed for lost productive land. However, staff feels that the tracts have been significantly affected and now should have a revised value per acre. Management proposes adjusting the bid for these leases to an average of \$171 per acre over the four-year term, with \$161 charged for 2019-2020 and \$181 charged for 2021-2022. Concerns were raised about adjusting all the tracts involved to the same amount per acre when the initial bids received varied by tract. It was suggested that a map encompassing a larger area of the land in question be provided to enable the Council to review the applicable impact of the WYE on these parcels. It was the consensus of the

Committee that this matter be tabled until the next Finance Committee Meeting so that more detailed information can be provided and reviewed. At this time, this item was for information only.

Item No. 3 Staff explained that there are two proposals for the 2020 Tax Levy: One is the amount initially proposed by the Mayor in the amount of \$5,776,821; the other one utilizes the council-adjusted proposal of \$5,924,657. Examples were provided reflecting how the increases would impact residential property for the City tax portion only.

New expenditures proposed for 2020 include the Carris Health Debt Service of \$3.7 million, some of the Local Option Sales Tax Projects of \$9.8 million, City Hall of \$8.5 million, Community Development Block Grant through the HRA of \$3.3 million, and two additional positions of Assistant Fire Chief and an additional Accounting Clerk. The council has previously addressed the 35% increase in health insurance which was originally placed in the Non-Departmental section of the Budget and has now been shifted to each applicable Department.

Options for the Council to consider include reducing the additional levy of \$147,836, removing the gas franchise fees of \$245,000, use of 2019 Capital Excess of \$165,105, removal of the Police Robot and Fire Gear Dryer for \$29,000, removal of the Assistant Administrator position \$150,621, removal of the Barn Theatre Civic Request \$15,000, and some department labor adjustments. Other items for discussion include using Undesignated Funds for Swansson Field Lights of \$315,000, Unfunded Capital Improvements for the Auditorium of \$1,350,000, Civic Center of \$350,000, Swansson Field Lighting Replacement of \$660,000, and Fire Department of \$242,000.

The Truth in Taxation hearing is scheduled for the Council meeting on December 2, 2019, at which meeting the levy needs to be approved and a 2020 balanced budget needs to be approved.

Civic requests were reviewed noting direction to remove the Barn Theatre. It was the consensus of the Committee not to fund any of the new requests, including the Barn Theatre's request, which results in the total to be funded in 2020 of \$82,607.

The \$4 Utility Fee was briefly reviewed, noting that there can be no changes to this in 2020 but that it will be addressed for the 2021 budget. Council Member Mueske reiterated that this fee must be discussed next year, noting that as a fee charged on utility billings, it needs to be clarified as to its use.

The Public Works Reserve Fund was briefly discussed noting it is the intention to zero that fund out in 2020.

The 2020 Street Improvement Program details have been reviewed during previous meetings.

The Center Point Franchise Fee was discussed with City Administrator Gramentz explaining that utilizing this revenue to fund right-of-way improvements specifically would be a sound option, should the Council decide to invoke this fee for the 2021 budget. Mayor Calvin noted that the Council first discussed this fee several years ago and that this is the third time he has proposed this as a revenue source; subsequently he would like some direction for 2021. Staff explained that franchise fees can be implemented at any time during the year, establishing the dollar amount at that time as well.

Council Member Plowman expressed concerns that every effort should be made to implement new fees and taxes in phases rather than all at once in order to alleviate dramatic increases to the consumer. Further, new fees should be dedicated to a specific expenditure.

Council Member Plowman left the meeting at 6:00 PM.

The Undesignated Balance of \$800,000 was discussed in length. In the beginning of the 2020 Budget process, there was a total of \$870,000 in Undesignated Funds available. Of that amount, \$70,000 is being applied toward insurance and salaries and \$315,000 is proposed for the Swansson Field Lights leaving a

balance of \$485,000 as undesignated. It was noted that \$250,000 for the Auditorium has been left on the CIP list; subsequently, if the Council so chooses, the remaining total of undesignated funds could be earmarked for the Auditorium as well which would bring the total available for the Auditorium to \$735,000. There was a brief discussion on the possibility of contracting with a qualified entity to prepare a plan for preserving/improving the Auditorium. It was the consensus of the Committee to leave the \$485,000 as undesignated at this time.

The Capital Improvement Program was discussed briefly.

Removal of the Assistant Administrator was addressed by the City Administrator. Succession planning would dictate having an Assistant City Administrator. It was mentioned that the decision for establishing this position be deferred until a permanent Administrator is in place.

It was the consensus of the Committee to leave the Assistant Fire Chief and Accounting Clerk funding in the 2020 budget. It was noted that further discussion will take place on both positions prior to implementation.

This item was for information only.

Item No. 4 It was the recommendation of the Committee to adopt the 2020 tax levy at the 1 mil rate for a total of \$5,776,821.

This item was approved at the Truth in Taxation hearing held earlier this evening.

Item No. 5 It was the recommendation of the Committee to approve the Mayor's Proposed 2020 Balanced Budget as discussed at this Finance Committee Meeting.

This item was approved at the Truth in Taxation hearing held earlier this evening.

The Finance Committee Report of November 21, 2019, was approved and ordered placed on file in the City Clerk's Office upon motion by Council Member Nelsen. Council Member Fagerlie seconded the motion which carried.

The Community Development Committee Report for November 25, 2019 was presented to the Mayor and Council by Council Member Fagerlie. There was one item for consideration.

Item No. 1 Discussed an array of incentives for the opportunity zone as a five-year pilot program to get a feeling for the Committee's tolerance level for the proposed incentives, and to seek input and permission to continue development of the incentive ideas. A number of suggestions were made and staff were asked to try to incorporate the feedback. It was the recommendation of the Committee to direct staff to continue exploring and developing the proposed Opportunity Zone incentive options.

Council Member Fagerlie offered a motion to approve the recommendation of the Committee. Council Member Asmus seconded the motion which carried.

The Community Development Committee Report of November 25, 2019, was approved and ordered placed on file in the City Clerk's Office upon motion by Council Member Fagerlie. Council Member Mueske seconded the motion which carried.

City Clerk Judy Thompson stated the governing body of each municipality and of each county with precincts in unorganized territory must designate by ordinance or resolution a polling place for each election precinct by December 31st of each year for the following year elections. This was a legislative change made in the 2017 Legislative Session.

Resolution No. 19-186 Approving Designating Polling Places for Elections in 2020 was introduced by Council Member Plowman. Council Member Mueske seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

City Clerk Judy Thompson presented a request to approve the State Application and Permit for a 1-Day to 4-Day Temporary On-Sale Liquor License for the Lions District 5M4 dba Elbow Lake Lions Club which plans to sell alcohol during the Lions District 5M4 Mid-Winter Convention on January 24 and 25, 2020 at the Willmar Holiday Inn and Conference Center.

Council Member Fagerlie offered a motion to approve staff's recommendation. Council Member Mueske seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

Council Member Schwantes urged everyone to visit the Celebrate the Light of the World display at Robbins Island.

The upcoming Committee meetings will be as follows: Public Works/Safety Committee – Wednesday, December 4 at 5:15 p.m.; Finance Committee – Thursday, December 5 at 5:15 p.m.; Labor Relations Committee – Monday, December 9th at 6:15 p.m.; and Community Development Committee – no meeting scheduled

Council Member Mueske offered a motion to adjourn the meeting with Council Member Fagerlie seconding the motion which carried. The meeting adjourned at 8:03 p.m.

s/s Marv Calvin

MAYOR

Attest:

s/s Judy Thompson

SECRETARY TO THE COUNCIL

**RESOLUTION NO. 19-180
A RESOLUTION ESTABLISHING 2019 TAX LEVY FOR THE CITY OF WILLMAR**

Motion By: Nelsen

Second By: Mueske

BE IT RESOLVED by the City Council of the City of Willmar, Kandiyohi County, Minnesota, that the following sums of money be levied for the current year collectable in 2020, upon the taxable property in said City of Willmar for the following purposes:

General Fund	<u>\$ 5,776,821</u>
Total	\$ 5,776,821

BE IT RESOLVED, that there is a sufficient sum of money in the Debt Service Funds of the City, together with the above Debt Service Fund Tax Levy, to pay principal and interest in 2020 on all outstanding bond issues, and the deferred annual tax levies previously certified to the County Auditor are hereby canceled;

The City Clerk is hereby instructed to transmit a certified copy of this Resolution to the County Auditor of Kandiyohi County, Minnesota.

Dated this 2nd day of December, 2019

s/s Marv Calvin
MAYOR

Attest:

s/s Judy Thompson
CITY CLERK

RESOLUTION NO. 19-181
ADOPTING THE BUDGET FOR THE FISCAL YEAR 2020

Motion By: Nelsen Second By: Fagerlie

BE IT RESOLVED by the City Council of the City of Willmar that the Annual Budget for the fiscal year beginning January 1, 2020, which has been submitted by the Mayor and modified and approved by the City Council, is hereby adopted, the totals of the said budget and the Mayor's division thereof being as follows:

EXPENDITURE REQUIREMENTS

General Operating	\$ 18,719,138
Capital Improvements	24,431,722
Special Revenue/Internal	4,933,705
Debt Service	5,773,556
Enterprise (Wastewater)	<u>11,552,298</u>
 Total 2020 Budget	 \$ 65,410,419

Dated this 2nd day of December, 2019

s/s Marv Calvin
Mayor

s/s Judy Thompson

Attest: City Clerk

RESOLUTION NO. 19-182
A RESOLUTION ACCEPTING CHANGE ORDER NO. 3 FOR PROJECT NO. 1901-B.

Motion By: Plowman Second By: Alvarado

BE IT RESOLVED by the City Council of the City of Willmar, a Municipal Corporation of the State of Minnesota, that the Mayor and City Administrator of the City of Willmar are hereby authorized to modify the contract for Project No. 1901-B between the City of Willmar and Duininck, Inc. of Prinsburg, Minnesota by Change Order No. 3 in the increased amount of \$26,621.

Dated this 2nd day of December, 2019.

s/s Marv Calvin
Mayor

Attest:

s/s Judy Thompson
City Clerk

RESOLUTION NO. 19-183

A RESOLUTION ACCEPTING CHANGE ORDER NO. 1 FOR PROJECT NO. 1903-B.

Motion By: Plowman Second By: Alvarado

BE IT RESOLVED by the City Council of the City of Willmar, a Municipal Corporation of the State of Minnesota, that the Mayor and City Administrator of the City of Willmar are hereby authorized to modify the contract for Project No. 1903-B between the City of Willmar and Duinick, Inc. of Prinsburg, Minnesota by Change Order No. 1 in the increased amount of \$33,819.12.

Dated this 2nd day of December, 2019.

s/s Marv Calvin
Mayor

Attest:

s/s Judy Thompson
City Clerk

RESOLUTION NO. 19-184

**A RESOLUTION AWARDED EAGLE LAKE SEWER REPAIR TO CROW RIVER CONSTRUCTION
IN THE AMOUNT OF \$76,945.**

Motion By: Plowman Second By: Asmus

BE IT RESOLVED by the City Council of the City of Willmar, a Municipal Corporation of the State of Minnesota, that the bid of Crow River Construction of New London, MN for the Eagle Lake Boat Landing Sewer Repair is accepted, and be it further resolved that the Mayor and City Administrator of the City of Willmar are hereby authorized to enter into an agreement with the bidder for the terms and consideration of the contract in the amount of \$76,945.

Dated this 2nd day of December, 2019

s/s Marv Calvin
Mayor

Attest:

s/s Judy Thompson
City Clerk

RESOLUTION NO. 19-185

**A RESOLUTION APPROVING DOVRE TOWNSHIP FIRE AGREEMENT
IN THE AMOUNT OF \$20,838.08**

Motion By: Nelsen

Second By: Mueske

WHEREAS Dovre Township annually contracts with the City of Willmar Fire Department for fire protection services; and

WHEREAS it is the established practice of the City of Willmar to use a statewide formula to calculate the township cost sharing proposal;

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Willmar, a municipal corporation of the State of Minnesota, that the Mayor and City Administrator be authorized to execute the fire protection agreement with Dovre Township for the period January 1, 2020 through December 31, 2020, in the amount of \$20,838.08.

Dated this 2nd day of December 2019.

s/s Marv Calvin

MAYOR

Attest:

s/s Judy Thompson

CITY CLERK

RESOLUTION NO. 19-186

**RESOLUTION APPROVING DESIGNATING POLLING PLACES FOR
ELECTIONS IN 2020**

Motion By: Plowman

Second By: Mueske

BE IT RESOLVED by the City Council of the City of Willmar, Minnesota, that the following buildings be designated as the official voting locations for the 2020 Elections:

FIRST WARD:	1 st Precinct	National Guard Armory 614 North Highway 71
	2 nd Precinct	Lakeview Apartment Building 300 North 7th Street
	3 rd Precinct	Word of Faith Family Church 3010 7 th Avenue Northwest
SECOND WARD:	1 st Precinct	St. Mary's Catholic Church 713 Southwest 12th Street
	2 nd Precinct	Vinje Lutheran Church 1101 Willmar Avenue Southwest

	3 rd Precinct	Rock of Life, CRC 1708 Southwest 8th Street
	4 th Precinct	Mail Ballot
THIRD WARD:	1 st Precinct	Refuge Church 1000 6 th Street Southeast
	2 nd Precinct	Highland Apartments 115 East Becker Avenue
	3 rd Precinct	Willmar Education and Arts Center 611 West 5th Street
FOURTH WARD:	1 st Precinct	Refuge Church 1000 6 th Street Southeast
	2 nd Precinct	Calvary Lutheran Church 302 Olena Avenue
	3 rd Precinct	Redeemer Lutheran Church 1401 Southwest 6th Street

Dated this 2nd day of December 2019.

Attest:

s/s Marv Calvin
MAYOR

s/s Judy Thompson
CITY CLERK